

# Mecklenburg County

## Quarterly Economic Update



January 2021

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## Report Summary

COVID-19 continues to hold the greatest uncertainty to our economic forecast. Although we now have a vaccine, new strains of the virus, and unease about whether enough people will take the vaccine to mitigate the spread remains unknown.

The major assumption that we are using is that the vaccine, coupled with mask mandates, and social distancing efforts will slowly decrease the spread of the virus and limit the economic negatives we have experienced thus far. Combatting COVID-19 will take a considerable amount of time and may be here to stay, therefore we do not expect a full recovery in the hardest hit industries such as hotels, diners, and the entertainment industry until 2022 at the earliest.

Although unemployment rates have steadily decreased from the peak unemployment we experienced in April, we are off to a slow start in 2021 with unemployment rates rising in December and recent unemployment claims rising. Higher unemployment is likely to persist through the first quarter until the vaccine and other measures can reduce the spread.

Inflation could also be problematic as the money supply in the economy has soared and fiscal stimulus has created excess savings in many households. As of November, the savings rate was 12.9 percent, approximately twice as much as we seen before the pandemic. The excess savings will benefit sales tax collections as consumers unwind these savings over time, but excessive demand for goods could drive prices higher which could limit how long the Fed is able to keep interest rates low.

*Note: Unless otherwise noted all dates and charts refer to calendar year*

## National Summary



The U.S. economy had a strong third quarter with GDP increasing 33.1 percent. Expectations for the fourth quarter is 4.0 percent growth which will finish the year up 2.2 percent.

- Seasonally adjusted unemployment for the nation in December was 6.5 percent, a slight increase from November which was 6.4 percent.
- Total nonfarm payroll employment declined by 140,000 in December reflecting increasing COVID-19 cases.
- Consumer sentiment increased from 76.9 to 80.7 in December despite increasing Covid-19 infections. The increase in sentiment was largely due to shifting optimism surrounding the political changes from the most recent election.
- The economy faces various risks with COVID-19, increasing inflation, and the potential for other countries to test the new administration's resolve in handling trade matters and other issues.

National Summary	Most Recent	Current Level	1 Yr Ago	5 Yr Ago	10 Yr Ago
Real GDP Growth	Q3 2020	33.4%	2.6%	1.5%	3.0%
Points Variance			30.8%	31.9%	30.4%
US Nonfarm Payroll	Dec-20	(140,000)	184,000	273,000	72,000
Percentage Change			-76.1%	-51.3%	-194.4%
CPI-U	Nov-20	1.13%	1.44%	0.26%	1.16%
Points Variance			0.3%	-0.9%	0.0%
Consumer Sentiment	Dec-20	80.7	99.3	92.6	74.5
Points Variance			-18.6	-11.9	6.2
US Leading Index	Feb-20	1.72%	1.10%	1.70%	0.76%
Points Variance			0.6%	0.0%	1.0%
National Gas Prices	Dec-20	\$ 2.20	\$2.56	\$2.04	\$2.99
\$ Variance			\$0.36	-0.2	\$0.80

*Notes: Green highlights above show improving statistics; red areas show declining statistics. Consumer Price Index for Urban Consumers (CPI-U) was not given a color ranking as inflation should be looked at relative to target inflation. Year over Year (YoY) points refer to percentage point variance. All YoY numbers are expressed in terms of the last update received. i.e. If the last available update was FY 2019 then the YoY will compare to FY 2018. References to specific dates indicates the YoY is calculated from that date.*

## Local Summary

- The County's unemployment rate in November (6.5 percent) was higher than North Carolina (6.1 percent) and the US (6.4 percent).
- General fund growth is down -0.7 percent as of October's actuals with the combined total down -0.2 percent. Our current projection for the remainder of the year, adjusting for the shutdown, and using a 5 percent decline for future months results in a 1.11 percent increase from budget with sales taxes projected to come in at \$202,729,340.
- The housing market continued to climb higher through December finishing the year 9.8 percent higher. The housing market has considerable strength moving into 2021. If seasonal trends hold, we could see prices rise higher through June.
- A total of 4.75 million square foot of new office space is under construction in the County with an additional 1.1 million square foot undergoing renovations.
- The latest stimulus package of \$600, as well as the proposed \$1,400 stimulus, and extended enhanced unemployment benefits should keep spending stable through the next two quarters.



Local Summary	Most Recent	Current Level	1 Yr Ago	5 Yr Ago	10 Yr Ago
Mecklenburg Population Level	FY 2019	1,110,356	1,093,750	1,010,229	913,311
Percentage Change			1.5%	9.9%	21.6%
Mecklenburg Poverty Population	FY 2018	126,098	120,634	150,572	95,508
Percentage Change			4.5%	-16.3%	32.0%
Mecklenburg Poverty Population %	FY 2018	11.5%	11.2%	15.2%	10.7%
Points Variance			0.3%	-3.7%	0.8%
Mecklenburg Unemployment Rate	Nov-20	6.5%	3.5%	5.4%	10.5%
Points Variance			3.0%	1.1%	-4.0%
Mecklenburg Employed	Nov-20	577,748	609,814	541,932	453,323
Percentage Change			-5.3%	6.6%	27.4%

Notes: Green highlights above show periods of positive results; red areas show declining results.

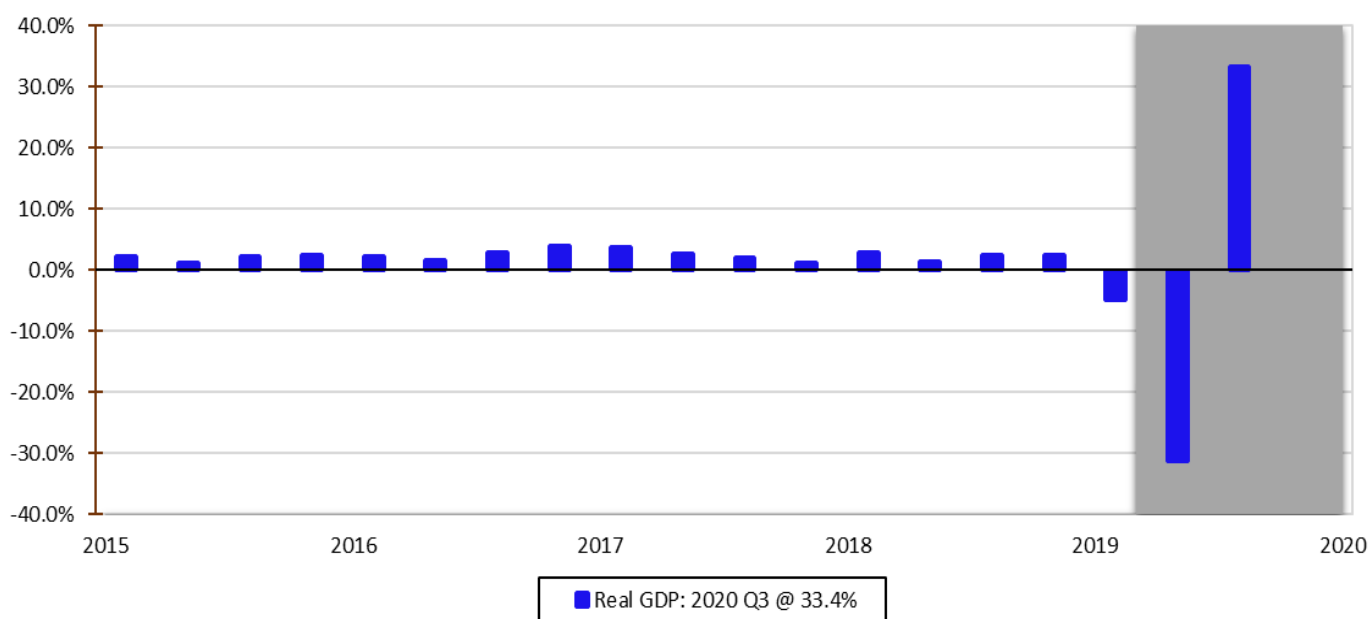
## Gross Domestic Product

*After falling -31.4 percent in the 2nd quarter, GDP rose 33.1 percent in the 3rd quarter. Although the quarter was nothing short of a massive increase the economy still is 3.5 percent below its peak in the 4th quarter. Expectations are to finish the year up 2.2 percent.*

The third quarter growth reported was spurred by a resurgence in consumer spending, which accounts for roughly two-thirds of the nation's GDP, as states eased shutdown measures over the summer and employers rehired workers. Personal consumption increased by a record-breaking 40.7 percent last quarter.

Looking forward to the fourth quarter GDP is expected to increase 4 percent with growth for the year at 2.2 percent. The forecast for 2022 appears brighter with estimates ranging from 4 to 5 percent growth for the year.

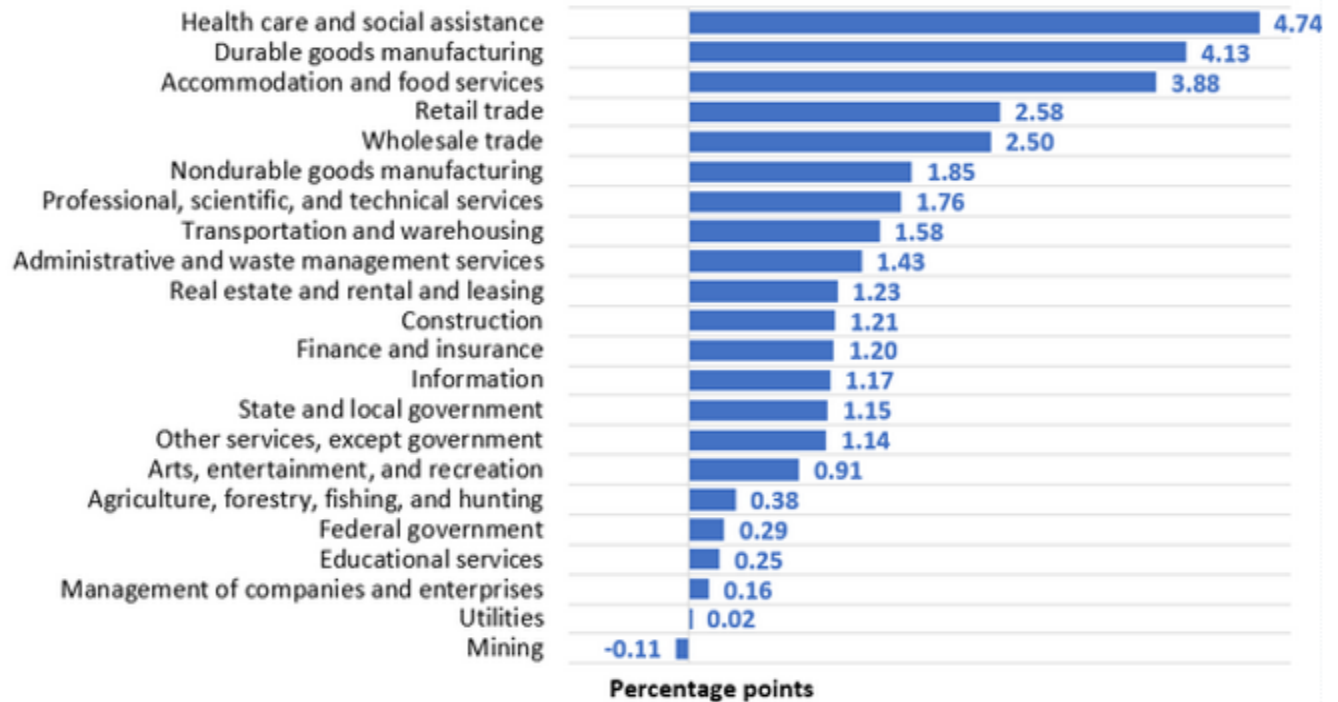
**US Real Gross Domestic Product**  
(Percentage Chg from Quarter to Quarter)



Overall, 21 of 22 industry groups contributed to the third-quarter increase in real GDP. Within private goods-producing industries, the leading contributor to the increase was durable goods manufacturing (led by motor vehicles, bodies and trailers, and parts). Within private services-producing industries, the leading contributors to the increase were health care and social assistance (led by ambulatory health care); accommodation and food services (led by food services and drinking places); retail trade; and wholesale trade. The increase in government reflected increases in both state and local government and federal government. Offsetting these increases was a decrease in mining in the third quarter (led by support activities for mining).

### Contributions to Percent Change in Real GDP by Industry Group, 2020:Q3

Real GDP increased 33.4 percent



U.S. Bureau of Economic Analysis

Seasonally adjusted at annual rates

#### Release Dates in 2021

Estimate	2020 Q4 and Year 2020	2021 Q1	2021 Q2	2021 Q3
<b>Gross Domestic Product</b>				
Advance Estimate	January 28, 2021	April 29, 2021	July 29, 2021	October 28, 2021
Second Estimate	February 25, 2021	May 27, 2021	August 26, 2021	November 24, 2021
Third Estimate	March 25, 2021	June 24, 2021	September 30, 2021	December 22, 2021
<b>Gross Domestic Product by Industry</b>				
	March 25, 2021	June 24, 2021	September 30, 2021	December 22, 2021

Source: Bureau of Economic Analysis



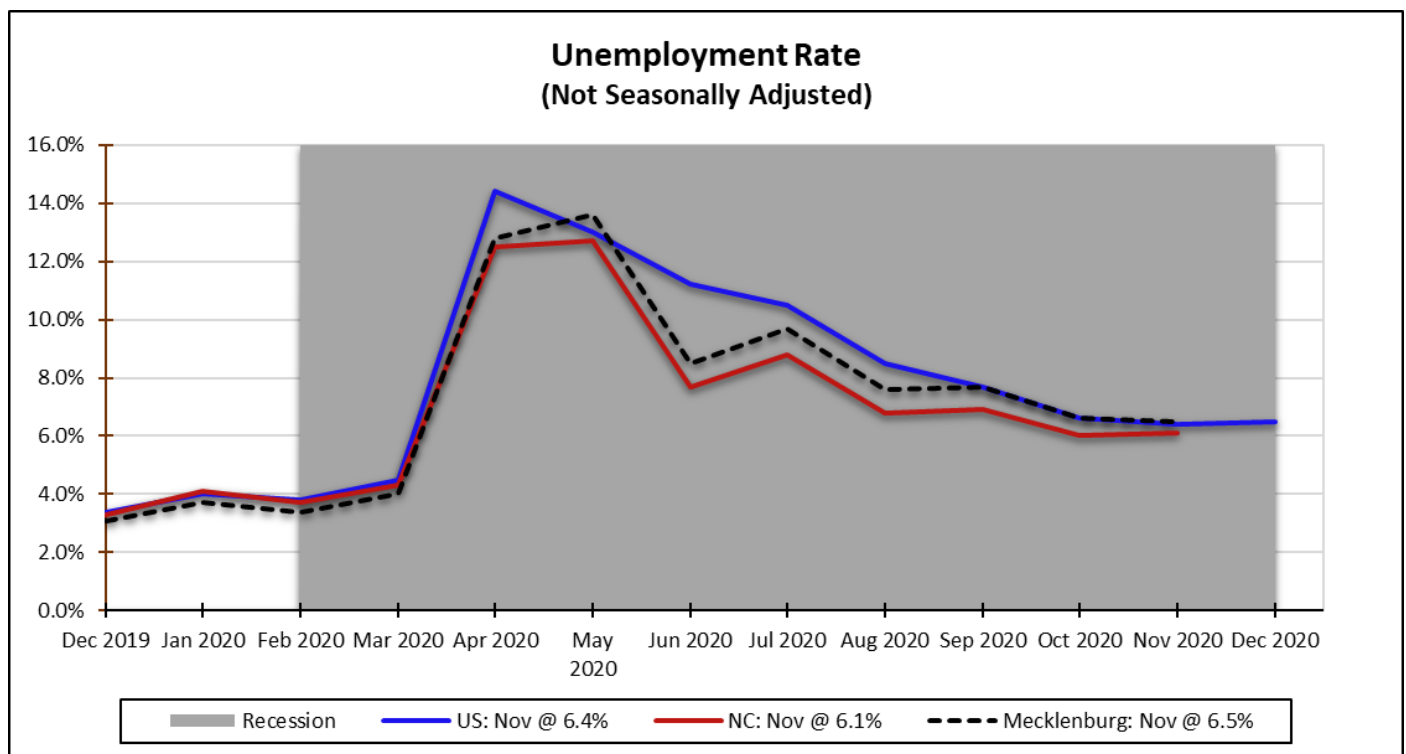
## Employment

*The improvement in unemployment has slowed with December initial claims showing an increase in North Carolina as Covid-19 cases have begun to rise. Looking ahead the unemployment rate may rise in the first quarter of 2021.*

In Mecklenburg County the unemployment rate fell from 6.6 percent to 6.5 percent from October to November. During the same period unemployment in North Carolina rose from 6.0 percent to 6.1 percent and in the US the unemployment rate dropped from 6.6 percent in October to 6.4 percent in November then increased in December to 6.5 percent.

Unemployment Rates as of November 2020 (non-seasonally adjusted)

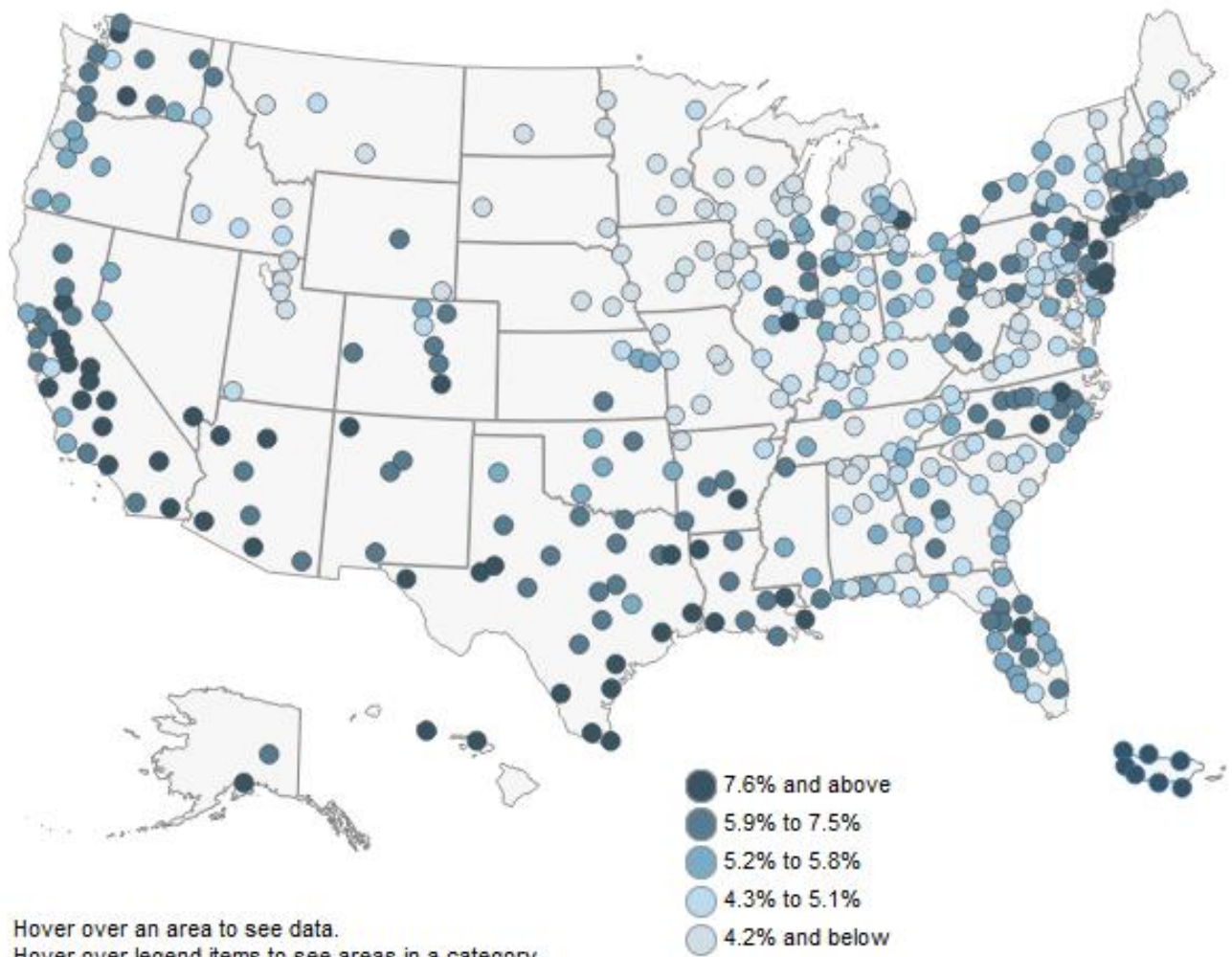
US	6.4%
NC	6.1%
Mecklenburg County	6.5%



In November, El Centro, CA, and Kahului-Wailuku-Lahaina, HI, had the highest unemployment rates, 16.4 percent and 16.0 percent, respectively. Ames, IA, had the lowest unemployment rate, 2.0 percent. A total of 272 areas had November jobless rates below the U.S. rate of 6.4 percent, 110 areas had rates above it, and 7 areas had rates equal to that of the nation.

The largest over-the-year unemployment rate increase in November occurred in Kahului-Wailuku-Lahaina, HI (+13.5 percentage points), followed by Atlantic City-Hammonton, NJ, and Odessa, TX (+10.2 points each). Rates rose over the year by at least 5.0 percentage points in an additional 23 areas. The largest over-the-year rate decrease occurred in El Centro, CA (-2.3 percentage points).

### Metropolitan area unemployment rates, November 2020, not seasonally adjusted

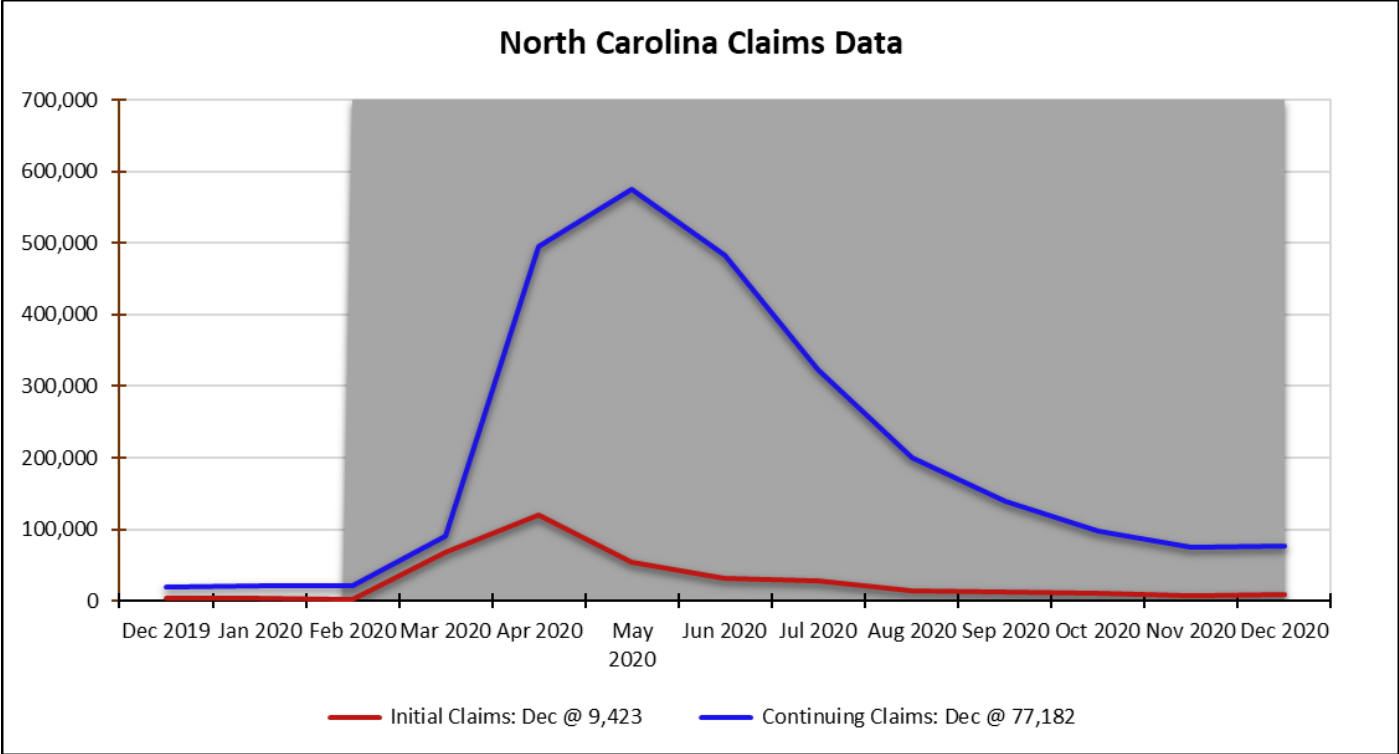


Hover over an area to see data.  
Hover over legend items to see areas in a category.  
Source: U.S. Bureau of Labor Statistics.

In the County the labor force totaled 617,909 with 577,748 employed and 40,161 unemployed. Compared to February 2020, unemployment is nearly double the level it was prior to the recession. In February 2020, the labor force was 634,601 with 612,810 employed and 21,791 unemployed. The lower labor force means that some individuals have left the workforce since the start of the pandemic



Initial claims data show that December was the first month since April that initial unemployment claims increased in North Carolina since peaking in April at 120,696. Continuing claims were also higher in December, moving from 74,749 in November to 77,182 in December which implies that the unemployment rate could start to move higher in the coming months as Covid-19 cases have begun to increase.



Source: Department of Labor

## Inflation

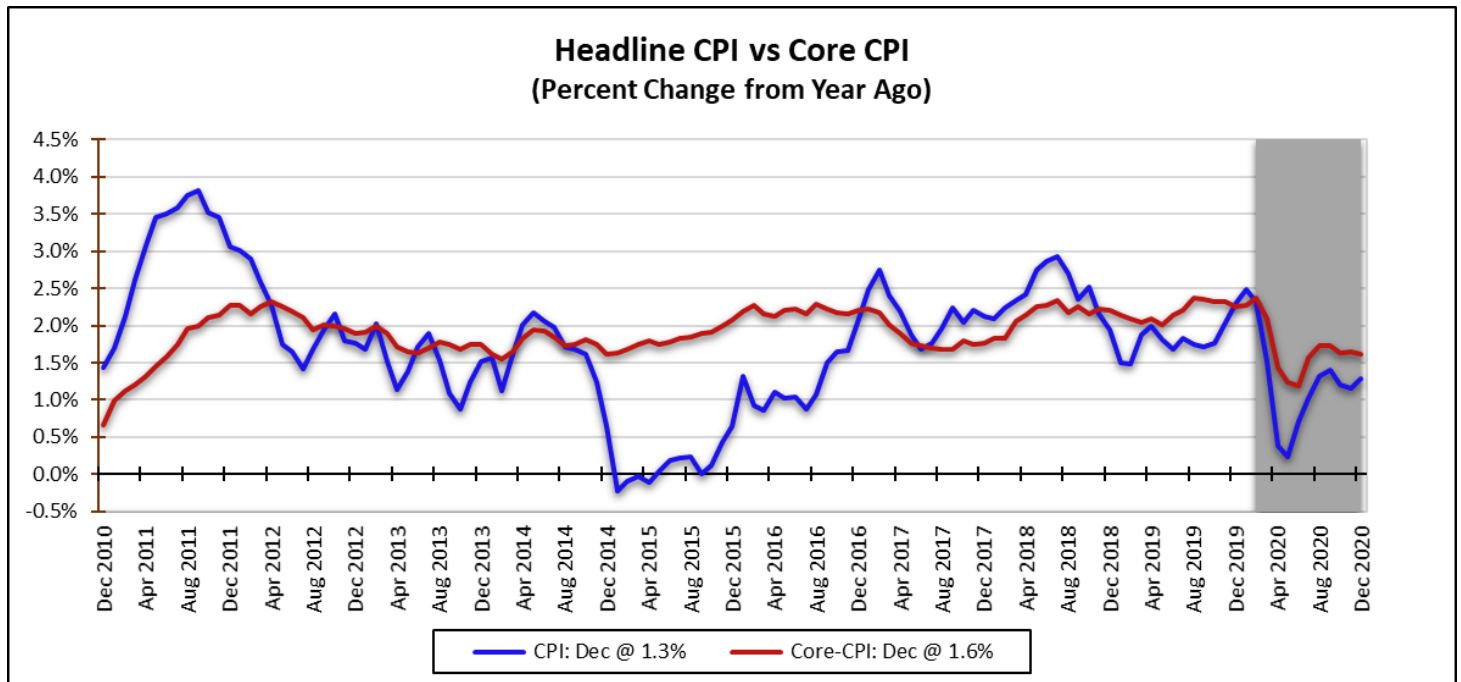
*Consumer price inflation picked up in December with the CPI increasing 0.4 percent. That followed a 0.2 percent rise in November leaving the year-over-year index up 1.3 percent. Increases in gas prices were up 8.4 percent for the month accounted for 60 percent of the monthly increase.*

The all items CPI rose 1.4 percent in 2020. This was smaller than the 2019 increase of 2.3 percent and the smallest December-to-December increase since the 0.7-percent rise in 2015. The index rose at a 1.7-percent average annual rate over the last 10 years.

The food index increased 3.9 percent in 2020, a larger increase than the 2019 rise of 1.8 percent. The index for food at home also increased 3.9 percent in 2020, a larger increase than the 0.7-percent increase reported for 2019. Over the last 10 years, the food index rose at a 2.0-percent average annual rate, and the food at home index increased at a 1.5-percent average annual rate.

The energy index decreased 7.0 percent in 2020 after increasing 3.4 percent in 2019. The index for gasoline fell 15.2 percent in 2020 after rising 7.9 percent the previous year. The index for fuel oil fell 20.0 percent in 2020. These declines more than offset increases in the other energy component indexes. The index for natural gas rose 4.1 percent in 2020 after falling 3.5 percent in 2019, while the index for electricity increased 2.2 percent over the year after declining 0.4 percent in the previous year. The energy index decreased at a 0.9-percent average annual rate since December 2010.

The medical care index increased 1.8 percent in 2020, a smaller increase than the 4.6-percent increase reported for 2019. The index for hospital services rose 3.0 percent in 2020, the same increase as in 2019. The physicians' services index rose 1.7 percent over the year. The index for prescription drugs, in contrast, fell 2.4 percent in 2020 after rising 3.0 percent in 2019. The medical care index increased at a 2.8-percent average annual rate over the last decade.



Source: Bureau of Economic Analysis

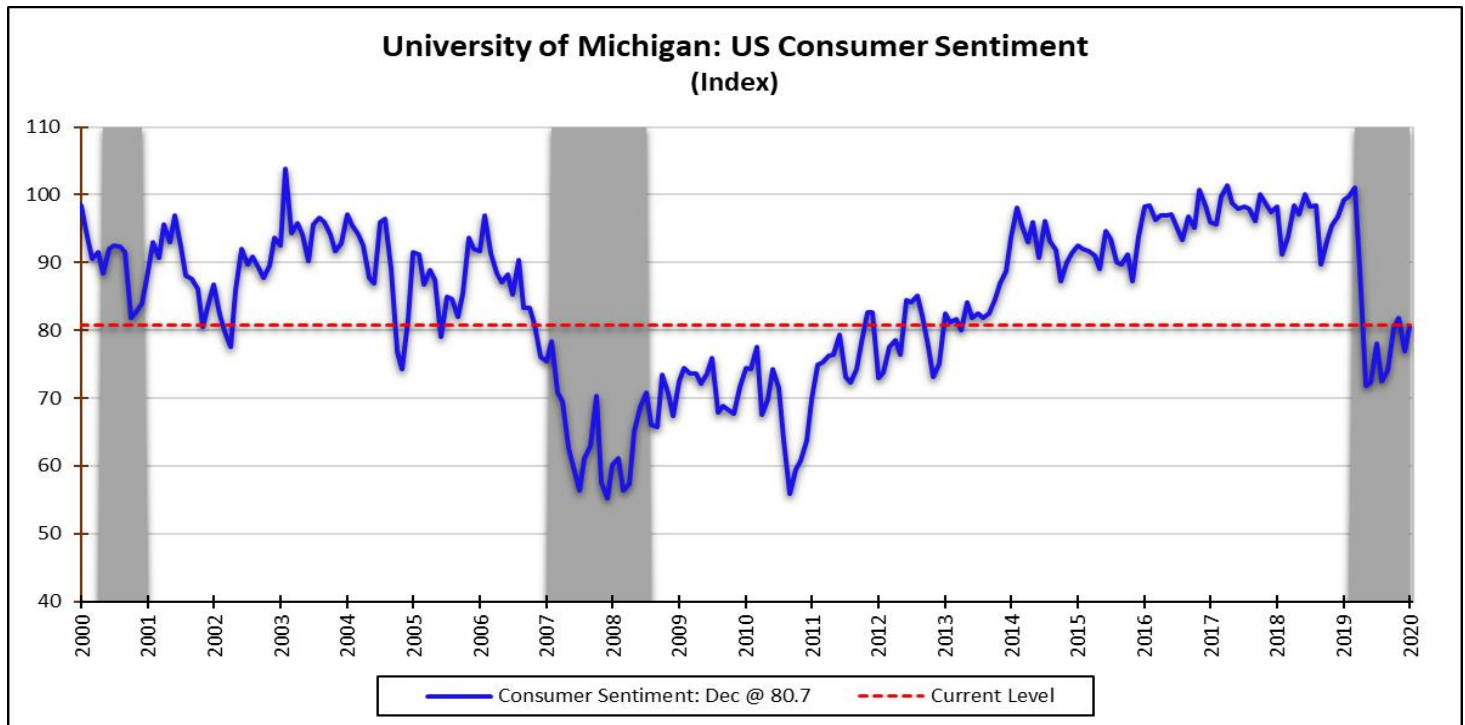
## Consumer Sentiment

*Consumer sentiment increased from 76.9 to 80.7 in December despite increasing Covid-19 infections. The increase in sentiment was largely due to shifting optimism surrounding the political changes from the most recent election.*

The Sentiment Index slipped in late December, although it remained higher than last month despite the ongoing surge in Covid-19 infections and deaths. The improvement was due to a large and rapid partisan shift, with Democrats becoming much more positive and Republicans much more negative.

The largest change was in long term business prospects, as twice as many Democrats as three months ago expected a continuous expansion over the next five years (54% up from 27%), while that same favorable expectation was nearly cut in half among Republicans (32% down from 60%). The pandemic has had a much greater relative impact on assessments of the overall economy than on assessments of consumers' current personal financial situations.

Since the start of the pandemic a huge divide has grown across households in how they assess their own personal finances: the finances of those that continue to be employed and working at home have remained positive while those who have lost jobs and incomes have been quite negative. Growing inequalities have also been due to rising home and stock prices. In contrast, nearly everyone has reported negative assessments of current conditions in the national economy. This gap signifies the pandemic nature of the current downturn; the second largest gap occurred in the downturn surrounding 9/11. While the rollout of the vaccine has been greeted as the beginning of the end, the end of the pandemic is still on the distant horizon in terms of a return to normalcy for consumer behavior, even among the most favored households. Precautionary motives will continue to shape both economic and personal behavior.



Source: University of Michigan

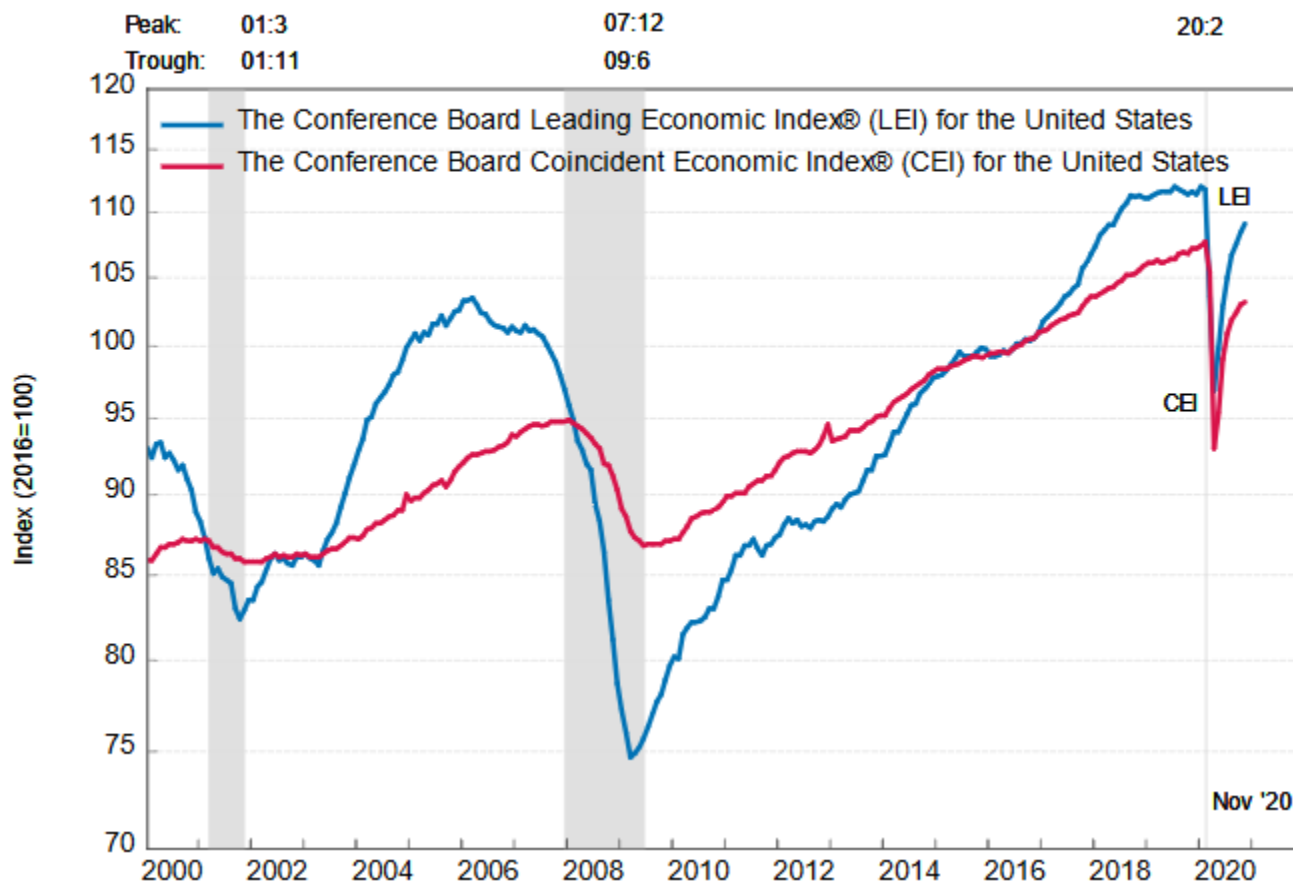
## Leading Economic Indicator (LEI)

*Leading economic indicators show continued improvement, but the improvement pace is slowing suggesting growth will moderate in 2021.*

The Conference Board Leading Economic Index® (LEI) for the U.S. increased 0.6 percent in November to 109.1 (2016 = 100), following a 0.8 percent increase in October and a 0.7 percent increase in September.

“The US LEI continued rising in November, but its pace of improvement has been decelerating in recent months, suggesting a significant moderation in growth as the US economy heads into 2021,” said Ataman Ozyildirim, Senior Director of Economic Research at The Conference Board. “Initial claims for unemployment insurance, new orders for manufacturing, residential construction permits, and stock prices made the largest positive contributions to the LEI. However, falling average working hours in manufacturing and consumers’ worsening outlook underscore the downside risks to growth from a second wave of COVID-19 and high unemployment.”

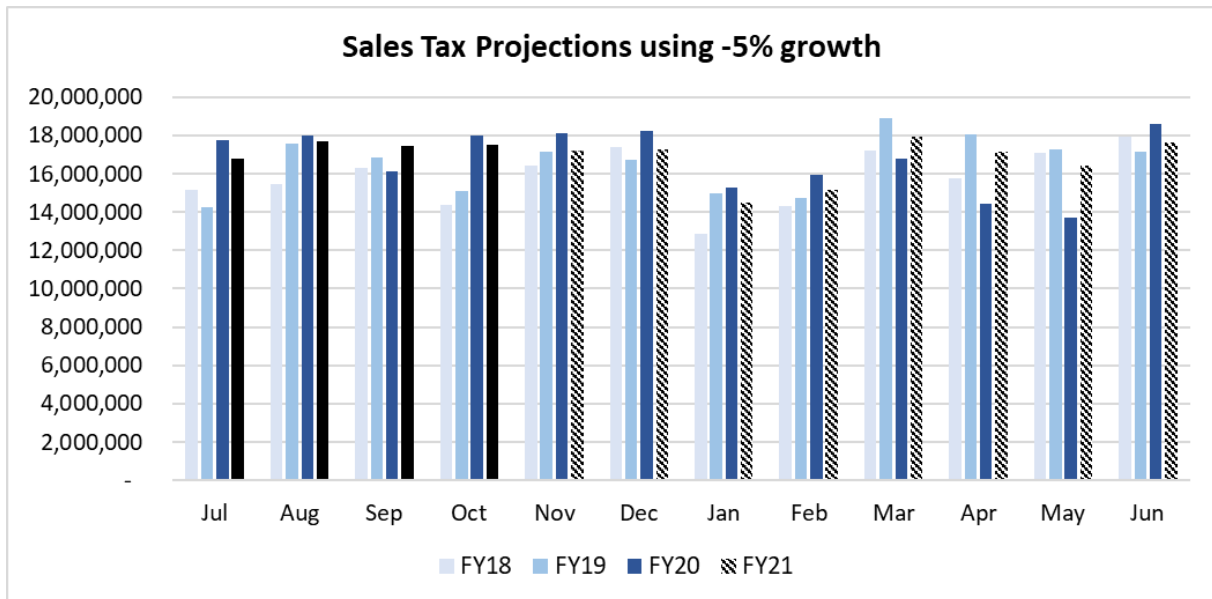
### **The Conference Board Leading Economic Index® (LEI) for the U.S. Increased in November**



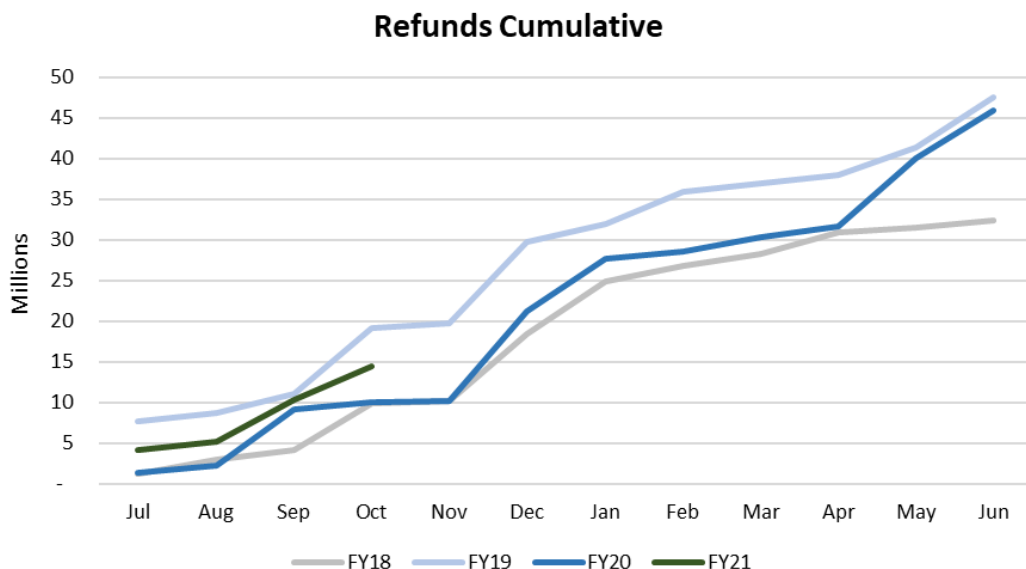
Source: The Conference Board

## Sales Taxes

General fund growth is down -0.7 percent as of October's actuals with the combined total down -0.2 percent. Our current projection for the remainder of the year, adjusting for the shutdown, and using a 5 percent decline for future months results in a 1.11 percent increase from budget with sales taxes projected to come in at \$202,729,340.



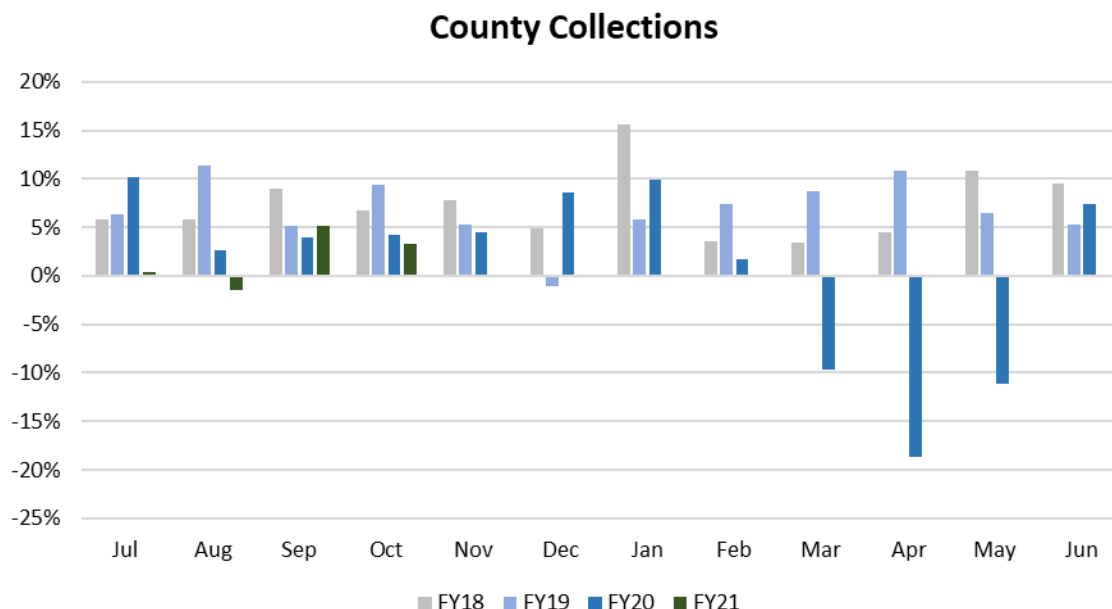
In October of FY21, sales taxes were -2.8 percent lower than in October FY20 with general fund collections coming in at \$17,487,369 following September's 8.4 percent gain. Refunds were \$3.2 million higher than last year putting us above FY20 total refunds but below FY19 total refunds-to-date.



Collections were positive with a 3.3 percent growth compared to a 4.2 percent growth in October of FY20. As stimulus checks are issued, we will be looking at another bump in January, albeit smaller than the lift we experienced from the previous larger stimulus checks that were issued in the CARES Act. Having a second

month of positive collections also shows that the slump in collections at the start of the fiscal year has likely ended. Having so many unknowns in the months of November and December when data has shown to weakening is one of the reasons, we have pushed future collection pace in the forecast down -5 percent. Once we have more information on how the high retail months performed, we recommend taking another look at our sales tax projection.

Note that to hit budget would require the remaining eight months to come in at approx. 7 percent below last year's levels. If we maintained the growth of our current pace of -0.7 percent, we are looking at a scenario of 4.1 percent growth for the year, so the recommended increase is a conservative improvement.



Source: North Carolina Department of Revenue (NCDOR)



## Industry Employment

*The pandemic effects on employment can be described as K-shaped as some industries have flourished such as transportation and warehousing from the spike in online retail sales while others such as the arts and entertainment industry are struggling due to restrictions on large gatherings.*

The pandemic has often been described as creating a K-shaped recovery. This can be seen in how various industries have performed.

High-contact industries such as the food service and accommodation industry, as well as the arts, entertainment, and recreation industry have experienced the largest declines of employment. The hardest hit industry food service and accommodation which lost 25,593 jobs from the second quarter of 2019 to the second quarter of 2020. Recent data from Open Diner shows that

### **Industries that gained through Q2:**

**Finance & insurance** – Gained 6,607 new employees pushing the County weighting up 1.9 percentage points to 11.9 percent of total county employment.

**Transportation & warehousing** – Gained 4,383 new employees, a 10.7 percent change due to increased need for home delivery from internet sales.

**Professional Technical & Scientific** – Gained 528 new employees, gains were primarily made prior to the recession however the ability to work from home in many of these fields limited losses.

**Utilities** – Gaining 181 new employees this industry is small and more recession proof than most industries. Stay at home orders likely resulted in greater demand for utilities. Overall utilities posted the largest increase at an 11.4 percent gain.

### **Industry employment losses through Q2**

*All industries except the four above posted losses due to the recession. The ones below are notable due to size of the decline or circumstances.*

**Accommodation and Food Services** – The largest hit of all industries with an employment decline of 39.3 percent leaving 25,593 individuals unemployed. Hotel occupancy remains far below normal, and food services are not able to operate at full capacity due to social distancing mandates. This industry shrank from 9.1 percent of total County employment to only 6.0 percent.

**Arts, Entertainment, and Recreation** – Declined 35.4 percent with an employment loss of 6,244. The industry shrank from 2.5 percent of total employment in the county to only 1.7 percent.

**Retail Trade** – The second highest loss of employment with a loss of 9,271 jobs. The total decline was a 14.4 percent decline reducing total County employment from 9 to 8.4 percent. Black Friday sales show that brick and mortar store traffic plummeted 52 percent from last year while E-commerce sales grew.

**Healthcare and Social Services** – Employment dropped 5.8 percent with losses of 4,817. Although it may seem counterintuitive that the industry would lose employment during a health pandemic, most losses originated individuals skipping routine visits and elective procedures. Dentist were heavily affected by the pandemic.

Other industries such as finance and insurance, and transportation and warehousing that can allow for more social distancing has grown.

## Mecklenburg Q2 Industry Employment

NAICS Code	Industry	2019 Q2	2020 Q2	Change	% Chg
52	Finance and Insurance	71,443	78,050	6,607	9.2%
48	Transportation and Warehousing	40,858	45,241	4,383	10.7%
54	Professional, Scientific, and Technical Services	58,428	58,956	528	0.9%
22	Utilities	1,590	1,771	181	11.4%
92	Public Administration	18,785	18,746	(39)	-0.2%
21	Mining	187	-	(187)	-100.0%
51	Information	19,350	19,136	(214)	-1.1%
23	Construction	35,717	35,218	(499)	-1.4%
53	Real Estate and Rental and Leasing	14,066	13,196	(870)	-6.2%
11	Agriculture, Forestry, Fishing and Hunting	1,355	-	(1,355)	-100.0%
31	Manufacturing	34,249	32,242	(2,007)	-5.9%
42	Wholesale Trade	36,965	34,895	(2,070)	-5.6%
55	Management of Companies and Enterprises	31,493	29,275	(2,218)	-7.0%
61	Educational Services	35,182	32,277	(2,905)	-8.3%
81	Other Services (except Public Administration)	18,866	15,334	(3,532)	-18.7%
62	Health Care and Social Assistance	82,868	78,051	(4,817)	-5.8%
71	Arts, Entertainment, and Recreation	17,631	11,387	(6,244)	-35.4%
56	Administrative and Support and Waste Management and Remediation Services	64,825	56,219	(8,606)	-13.3%
44	Retail Trade	64,520	55,249	(9,271)	-14.4%
72	Accommodation and Food Services	65,109	39,516	(25,593)	-39.3%
<b>Total</b>		<b>713,487</b>	<b>654,759</b>	<b>(58,728)</b>	<b>-8.2%</b>

## Industry Employment Percentage of Total

NAICS Code	Industry	Average Employment		
		2019 Q2	2020 Q2	% ppts chg
62	Health Care and Social Assistance	11.6%	11.9%	0.3%
52	Finance and Insurance	10.0%	11.9%	1.9%
54	Professional, Scientific, and Technical Services	8.2%	9.0%	0.8%
56	Administrative and Support and Waste Management and Remediation Services	9.1%	8.6%	-0.5%
44	Retail Trade	9.0%	8.4%	-0.6%
48	Transportation and Warehousing	5.7%	6.9%	1.2%
72	Accommodation and Food Services	9.1%	6.0%	-3.1%
23	Construction	5.0%	5.4%	0.4%
42	Wholesale Trade	5.2%	5.3%	0.1%
61	Educational Services	4.9%	4.9%	0.0%
31	Manufacturing	4.8%	4.9%	0.1%
55	Management of Companies and Enterprises	4.4%	4.5%	0.1%
51	Information	2.7%	2.9%	0.2%
92	Public Administration	2.6%	2.9%	0.2%
81	Other Services (except Public Administration)	2.6%	2.3%	-0.3%
53	Real Estate and Rental and Leasing	2.0%	2.0%	0.0%
71	Arts, Entertainment, and Recreation	2.5%	1.7%	-0.7%
22	Utilities	0.2%	0.3%	0.0%
11	Agriculture, Forestry, Fishing and Hunting	0.2%	0.0%	-0.2%
21	Mining	0.0%	0.0%	0.0%
<b>Grand Total</b>		<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

# Mecklenburg County Third Quarter Office Market Statistics

## Summary

Due to the impacts of COVID-19 the coming year will likely bring reduced occupancy and lower asking rents. A growing number of tenants are alerting their workforces that work from home plans may continue through mid-2021 and beyond. However, in the long run the County continues to grow in population as the County is attracting new businesses and jobs to the area. Most recently, RCLCO Real Estate Advisors and CapRidge Partners released a study that ranked Charlotte as the number one metro for job growth in Science, Technology, Engineering and Mathematics (STEM) related fields. The report concluded that Charlotte's young, educated workforce and favorable weather are a few of the reasons STEM based roles attract and retain talent in the Queen City.

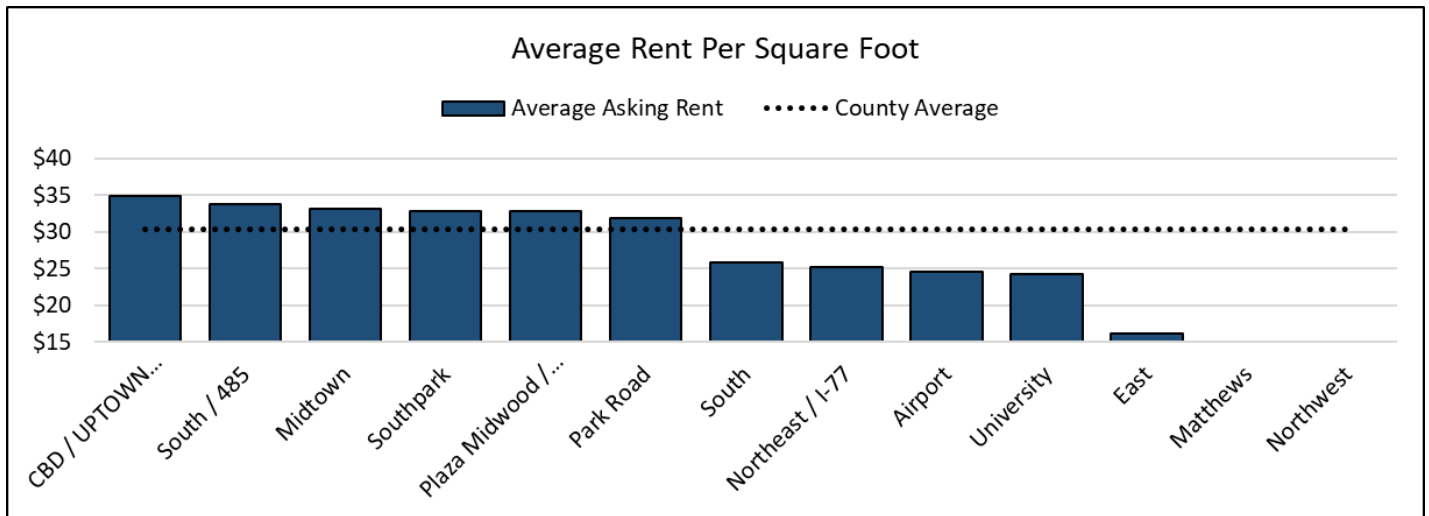
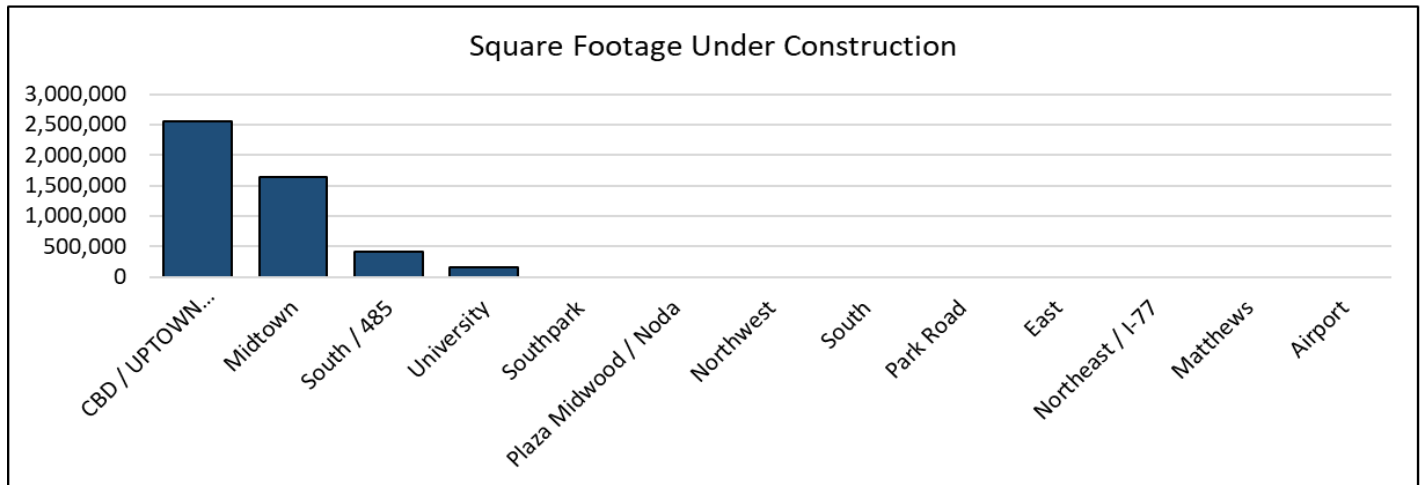
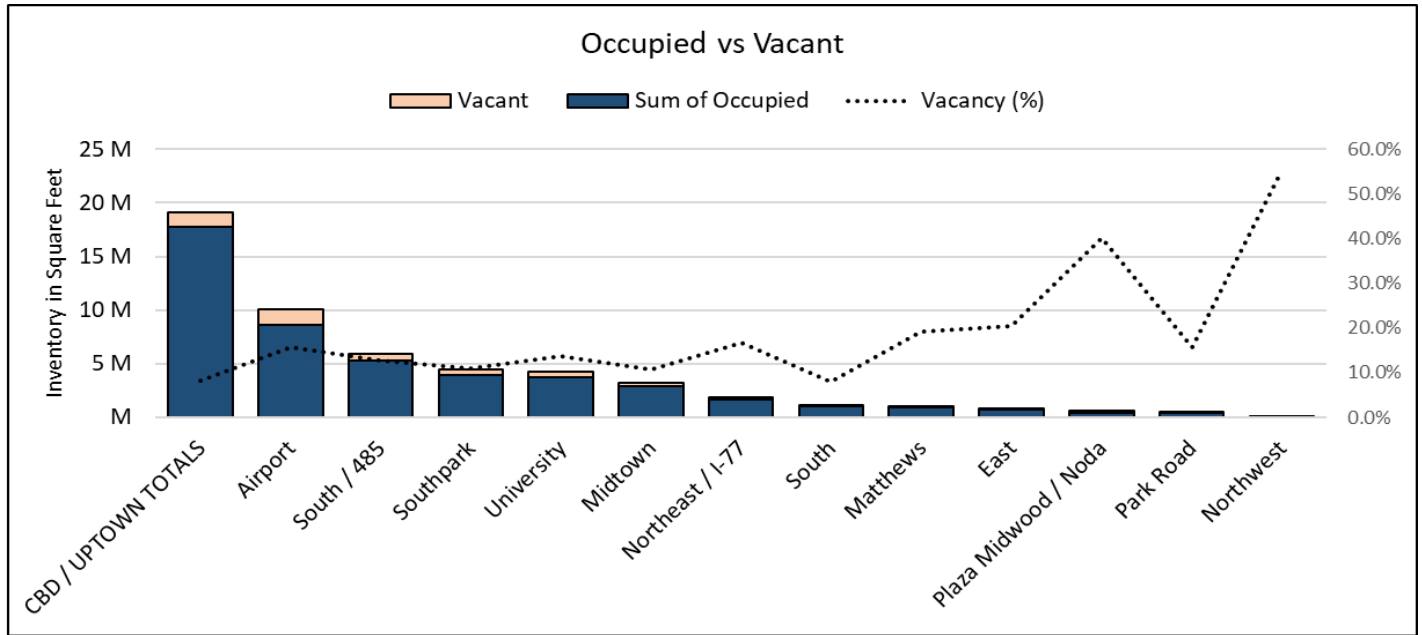
## Urban Market

With approximately 4.2 million square foot of new inventory under construction the Urban center of Charlotte continues to grow rapidly. However, most of the construction began pre-COVID so as these new buildings are delivered the growth in the urban markets should slow to match the overall dip we experienced in the economy. Fortunately for the County 40 percent of the properties under construction are being built for large single use tenants such as Honeywell. The rest are heavily pre-leased, so the County is not at a risk of being overdeveloped. It is expected that roughly 1 million square foot of the construction will be delivered by the end of the year.

## Suburban Market

The suburban market in the County has 579,001 square foot of new construction in the University and South 485 markets. Overall, the suburban office market has experienced higher vacancies than the urban market with the average vacancy rate at 13 percent compared to 7.8 percent in the urban market. Currently, there is over 1 million square foot of office space under renovation in the suburban markets.

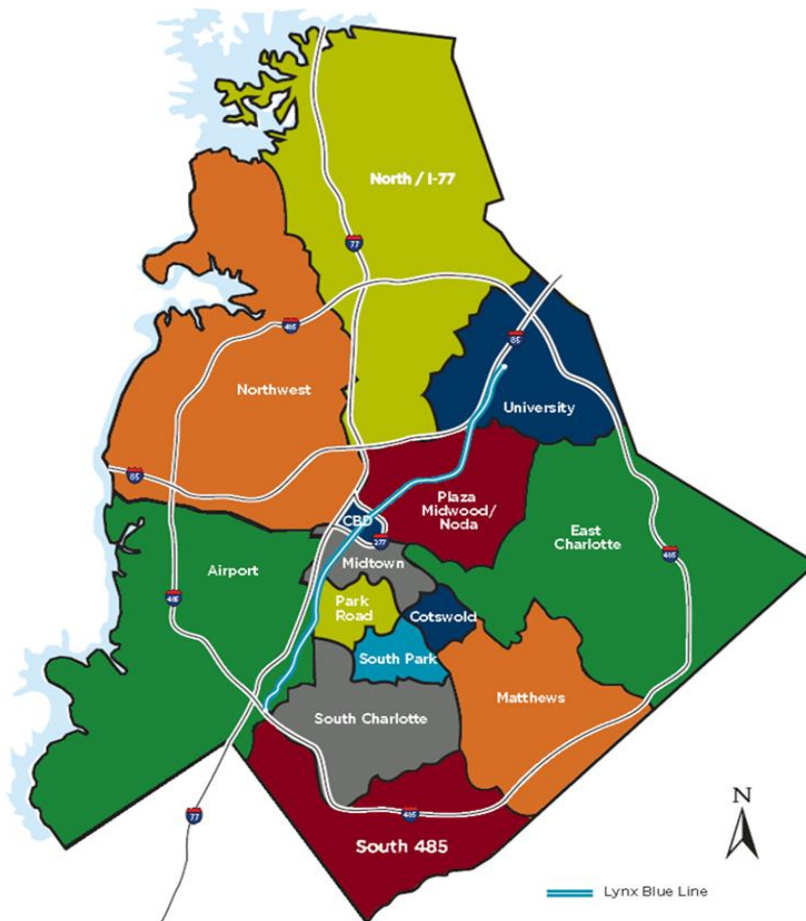
## Graphs and Comparisons



## MECKLENBURG COUNTY QUARTERLY STATISTICS

### OFFICE MARKET STATISTICS - THIRD QUARTER 2020

Submarket	Inventory (SF)	Sublet Vacant (SF)	Direct Vacant (SF)	Overall Vacancy (%)	Current Quarter Absorption	Under Construction (SF)	Under Renovation (SF)	YTD Deliveries (SF)	Average Asking Rent
<b>CBD / UPTOWN TOTALS</b>	19,139,953	130	1,428,600	8.1%	-136,105	2,547,915	-	-	\$34.90
Midtown	3,190,494	21,496	319,457	10.7%	-50,060	1,631,827	-	96,022	\$33.15
<b>Urban Market Total</b>	<b>22,330,447</b>	<b>21,626</b>	<b>1,748,057</b>	<b>7.8%</b>	<b>-186,165</b>	<b>4,179,742</b>	<b>-</b>	<b>96,022</b>	<b>\$34.65</b>
Northeast / I-77	1,861,379	82,004	228,757	16.7%	-12,437	0	-	-	\$25.14
Northwest	51,868	28,590	-	55.1%	-8,590	0	438,680	-	\$0.00
University	4,266,620	67,237	517,890	13.7%	6,976	159,041	429,607	-	\$24.19
Plaza Midwood / Noda	617,137	0	247,206	40.1%	13,657	0	76,940	45,000	\$32.76
Airport	10,061,841	91,406	1,482,875	15.6%	-159,123	0	-	114,469	\$24.61
Park Road	506,376	0	79,863	15.8%	-23,550	0	146,458	-	\$31.81
Matthews	1,064,801	51,650	151,612	19.1%	-50,349	0	-	-	\$13.51
South / 485	5,912,427	134,060	608,006	12.6%	-50,446	419,960	-	-	\$33.74
South	1,168,364	7,093	85,169	7.9%	-18,444	0	-	-	\$25.87
East	857,099	0	176,018	20.5%	226	0	-	-	\$16.07
Southpark	4,430,937	53,674	434,419	11.0%	-54,678	0	-	-	\$32.80
<b>Suburban Market Total</b>	<b>30,798,849</b>	<b>515,714</b>	<b>4,011,815</b>	<b>13.0%</b>	<b>-356,758</b>	<b>579,001</b>	<b>1,091,685</b>	<b>159,469</b>	<b>\$25.41</b>
<b>Class A</b>	<b>37,275,647</b>	<b>464,040</b>	<b>3,388,743</b>	<b>10.3%</b>	<b>-397,171</b>	<b>4,679,743</b>	<b>745,265</b>	<b>87,250</b>	<b>\$32.39</b>
<b>Class B</b>	<b>15,853,649</b>	<b>203,403</b>	<b>2,371,129</b>	<b>16.2%</b>	<b>-145,752</b>	<b>79,000</b>	<b>346,420</b>	<b>168,241</b>	<b>\$24.39</b>
<b>Mecklenburg Total</b>	<b>53,129,296</b>	<b>537,340</b>	<b>5,759,872</b>	<b>10.8%</b>	<b>-542,923</b>	<b>4,758,743</b>	<b>1,091,685</b>	<b>255,491</b>	<b>\$30.32</b>



## Mecklenburg County Housing Market Statistics

The County ended 2020 with strong growth in average home prices up 9.8 percent. The forecast for 2021 is that low interest rates coupled with the low supply / high demand conditions we have experienced should continue to push home prices higher at least through June.

Mecklenburg County's year-over-year home sales in December increased 9.5 percent, with 1,853 properties sold compared to 1,692 properties over the same period last year. Pending sales are up 26.1 percent for the month with 1,475 this year compared to 1,170 in the previous year.

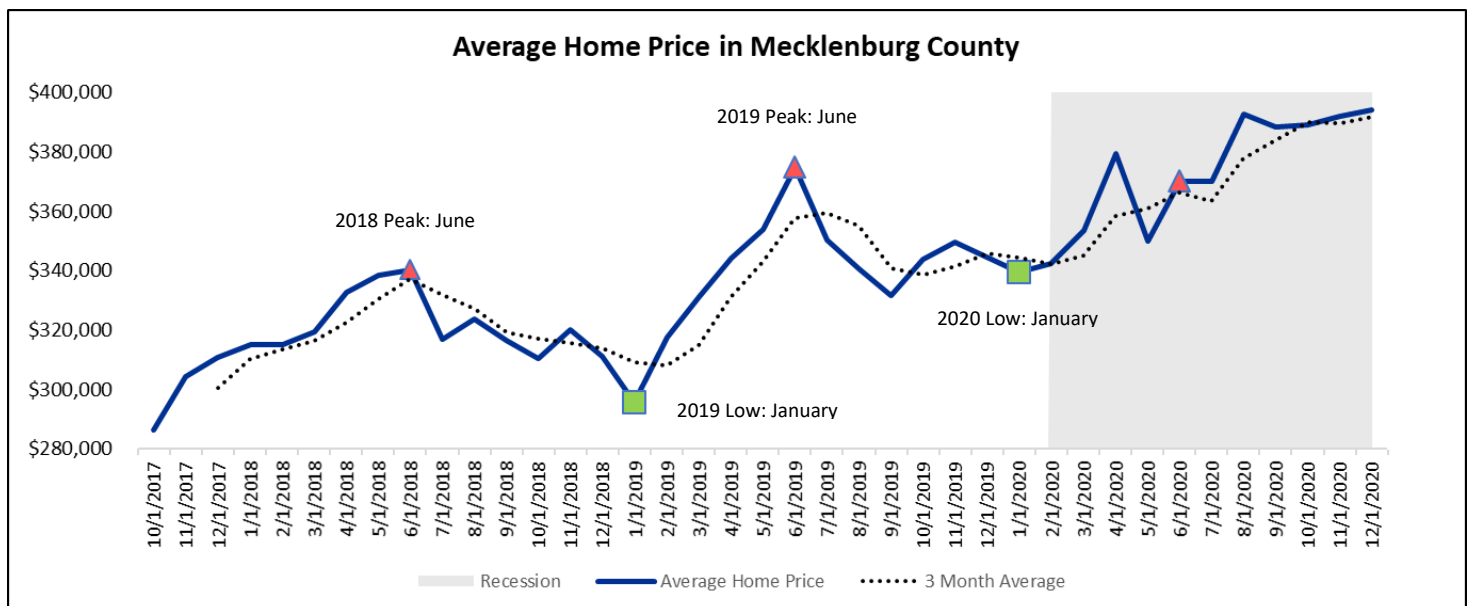
New listings year-over-year were up 14.3 percent with 1,318 properties up for sale compared to 1,153 properties up for sale over the same period last year.

The average home price in the 12-months ending December for the County is up 9.8 percent at \$374,917 compared to \$341,549 in the 12-months ending December 2019.

The inventory of available homes for sale in December is down 50.5 percent with 1,491 homes available compared to 3,031 last year. The current month's supply of housing in County is 0.8 months.

This year has been an interesting one for the seasonal price fluctuations homes. Normally, average prices for homes in the County hit a low in January and increase through June. From June prices typically fall. However, in 2020 prices increased through April, experienced a sharp drop in May, and have moved higher ever since. This implies if past seasonal trends still hold, prices will continue to move higher throughout June.

The housing market is poised for a strong start in January given the low supply / high demand environment we are in.



Source: Canopy MLS

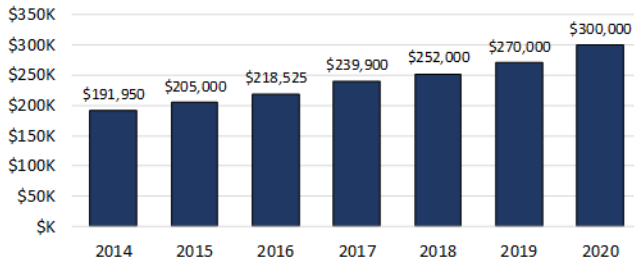


# MECKLENBURG COUNTY HOUSING MARKET

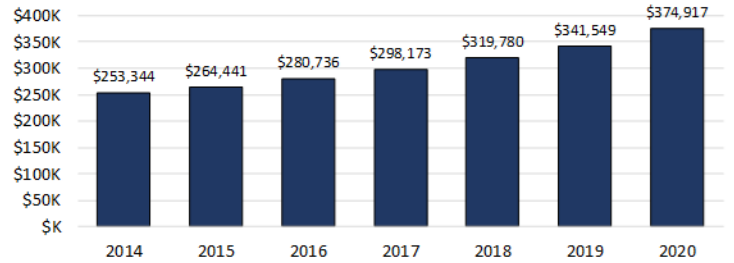
Mecklenburg County	December			Year to Date		
Key Metrics	2019	2020	Percent Change	Thru 12-2019	Thru 12-2020	Percent Change
New Listings	1,153	1,318	↑14.3%	25,245	24,468	↓-3.1%
Pending Sales	1,170	1,475	↑26.1%	21,356	22,692	↑6.3%
Closed Sales	1,692	1,853	↑9.5%	20,987	21,745	↑3.6%
Median Sales Price*	275,000	313,317	↑13.9%	270,000	300,000	↑11.1%
Average Sales Price*	343,888	394,235	↑14.6%	341,549	374,917	↑9.8%
Percent of Original List Price Received	96.6%	99.2%	↑2.7%	97.1%	98.5%	↑1.4%
List to Close	92	81	↑12.0%	87	84	↑-3.4%
Days on Market Until Sale	40	23	↑42.5%	37	30	↑-18.9%
Cumulative Days on Market Until Sale	46	27	↑41.3%	44	35	↑-20.5%
Inventory of Homes for Sale	3,031	1,499	-50.5%			
Months Supply of Inventory	1.7	0.8	-52.9%			

\* Does not account for sale concessions and /or down payment assistance.

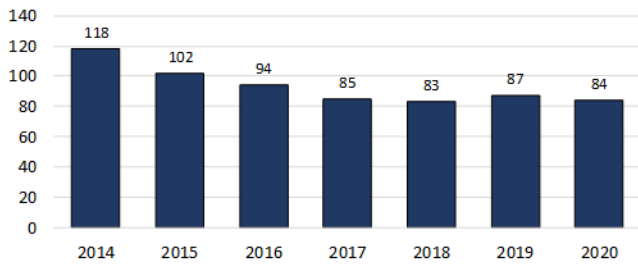
Median Sales Price



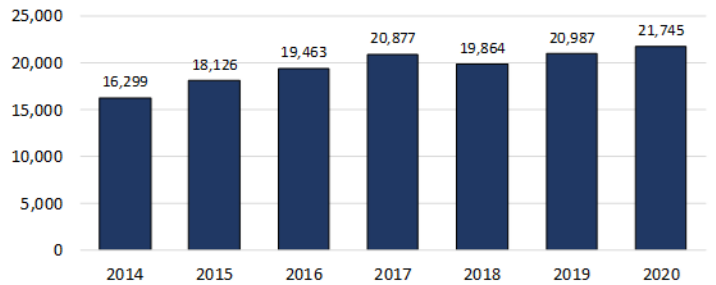
Average Sales Price



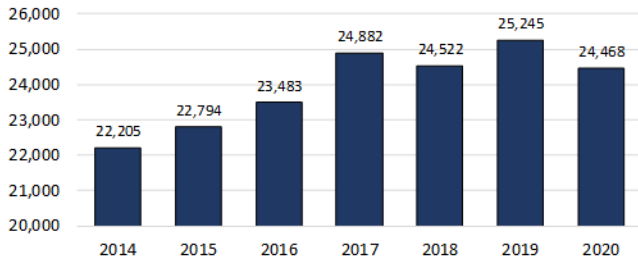
List to Close



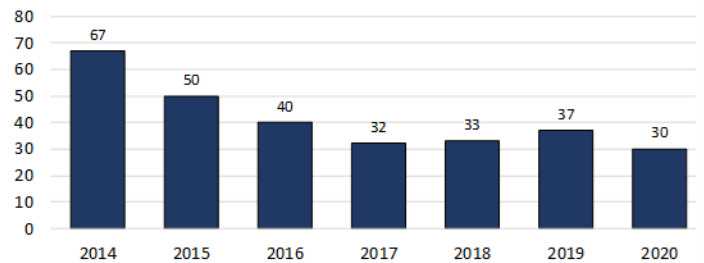
Closed Sales Year-to-date



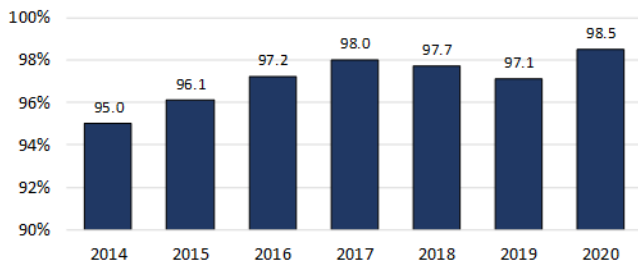
New Listings



Days on Market Until Sale



Percent of Original List Price Received



Cumulative Days on Market Until Sale

